

January 28, 2021

The Secretary National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Mumbai - 400051 Symbol : EQUITASBNK	The Secretary BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400 001 Scrip Code : 543243
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Dear Sir/ Madam

**Sub: Intimation on outcome of the Board Meeting held on January 28, 2021 and disclosure under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to Regulations 30 & 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 "SEBI (LODR) 2015", we are pleased to forward the following:

- Unaudited Financial Results for the quarter and nine months ended December 31, 2020 under Regulation 33 of the SEBI (LODR) 2015.
- Limited Review Report issued by the Statutory Auditors, T R Chadha & Co LLP.
- Press Release on the unaudited financial results for the quarter ended December 31, 2020.

The Meeting of the Board of Directors of the Company commenced at 3.30 p.m. and concluded at 7.30 p.m.

The above information will be made available on the Bank's website [www.equitasbank.com](http://www.equitasbank.com).

Kindly take the above information on record.

Thanking you.

Yours truly

for Equitas Small Finance Bank Limited

  
Sampathkumar K R  
Company Secretary





CIN: U65191TN1993PLC025280

[formerly known as Equitas Finance Limited]

[Subsidiary of Equitas Holdings Limited]

Regd. Office: 4th Floor, Phase II, Spencer Plaza, No. 789, Mount Road, Anna Saai, Chennai 600 002

Website: www.equitasbank.com

Statement of Unaudited Financial Results for the quarter ended and nine months ended December 31, 2020

(₹ In Lakh)

Particulars	Quarter ended			Nine months ended		Year ended
	31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Mar-20
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income Earned (a)+(b)+(c)	85,722.75	79,754.04	67,671.32	2,37,607.96	1,91,957.34	2,64,544.39
(a) Interest Income from Advances	77,284.89	72,999.77	62,073.73	2,16,445.20	1,75,158.60	2,42,000.67
(b) Income on Investments	6,023.83	5,668.71	4,069.39	16,079.17	12,055.72	15,765.17
(c) Interest on balances with Reserve Bank of India and other inter bank funds	2,414.03	1,085.56	1,528.20	5,083.59	4,743.02	6,778.55
2 Other Income	14,631.23	6,369.06	8,566.92	23,965.88	20,874.78	28,235.16
3 Total Income (1)+(2)	1,00,353.98	86,123.10	76,238.24	2,61,573.84	2,12,832.12	2,92,779.55
4 Interest Expended	37,336.61	33,628.99	29,310.73	1,02,668.89	84,826.96	1,15,013.81
5 Operating Expenses (i)+(ii)	35,513.12	30,525.69	31,083.77	95,230.54	87,087.02	1,18,007.86
(i) Employees Cost	20,493.64	18,779.48	18,387.54	58,721.17	52,283.61	70,978.90
(ii) Other Operating Expenses	15,019.48	11,746.21	12,696.23	36,509.37	34,803.41	47,028.96
6 Total Expenditure (4)+(5) (excluding provisions & contingencies)	72,849.73	64,154.68	60,394.50	1,97,899.43	1,71,913.98	2,33,021.67
7 Operating Profit before Provisions & Contingencies (3)-(6)	27,504.25	21,968.42	15,843.74	63,674.41	40,918.14	59,757.88
8 Provisions (other than tax) and Contingencies	12,608.82	8,390.86	4,049.38	27,833.73	11,667.37	24,663.85
9 Exceptional Items	-	-	-	-	-	-
10 Profit from Ordinary Activities before tax (7)-(8)-(9)	14,895.43	13,577.56	11,794.36	35,840.68	29,250.77	35,094.03
11 Tax Expense	3,825.92	3,278.74	2,386.12	8,705.23	9,188.57	10,730.49
12 Net Profit from Ordinary Activities after tax (10)-(11)	11,069.51	10,298.82	9,408.24	27,135.45	20,062.20	24,363.54
13 Extraordinary Items (net of Tax Expense)	-	-	-	-	-	-
14 Net Profit for the Period / Year (12)-(13)	11,069.51	10,298.82	9,408.24	27,135.45	20,062.20	24,363.54
15 Paid-up Equity Share Capital (Face Value of ₹ 10/- each)	1,13,825.01	1,05,340.16	1,05,340.16	1,13,825.01	1,05,340.16	1,05,340.16
16 Reserves excluding Revaluation Reserves						1,69,074.73
17 Analytical Ratios						
(i) Percentage of Shares held by Government of India	Nil	Nil	Nil	Nil	Nil	Nil
(ii) Capital Adequacy Ratio (%) - Basel-II (Refer note 3)	21.58%	20.93%	23.69%	21.58%	23.69%	23.61%
(iii) Earnings Per Share (EPS) - (Face Value of ₹ 10/- each)						
- Basic EPS (₹) before & after extraordinary items (net of tax expense) - not annualised	0.99	0.98	0.93	2.53	1.99	2.39
Diluted EPS (₹) before & after extraordinary items (net of tax expense) - not annualised	0.99	0.98	0.93	2.51	1.99	2.39
(iv) NPA Ratio						
(a) Gross NPAs	38,759.95	39,964.62	41,795.69	38,759.95	41,795.69	41,731.77
(b) Net NPAs	13,085.58	19,892.23	25,539.54	13,085.58	25,539.54	24,761.39
(c) % of Gross NPA to Gross Advances	2.27%	2.48%	3.01%	2.27%	3.01%	3.00%
(d) % of Net NPA to Net Advances	0.67%	1.03%	1.73%	0.67%	1.73%	1.66%
(v) Return on Assets (average)- not annualised	0.44%	0.47%	0.52%	1.21%	1.18%	1.38%



Segment information in accordance with the Accounting standard on Segment Reporting (AS-17) of the operating segment of the Bank is as under:

(₹ In Lakh)							
SI No	Particulars	Quarter ended			Nine months ended		Year ended
		31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Mar-20
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	<b>Segment revenue</b>						
a)	Treasury	13,927.13	6,731.72	6,931.83	26,911.39	18,232.18	24,868.72
b)	Retail Banking	82,036.42	74,919.93	66,096.69	2,22,524.86	1,86,027.71	2,55,758.58
c)	Wholesale Banking	2,484.54	3,054.68	2,393.42	7,706.02	6,231.33	8,637.34
d)	Other Banking operations	1,905.89	1,416.77	816.30	4,431.57	2,340.90	3,514.91
e)	Unallocated	-	-	-	-	-	-
	Less: Inter segment revenue	-	-	-	-	-	-
	<b>Income from operations</b>	<b>1,00,353.98</b>	<b>86,123.10</b>	<b>76,238.24</b>	<b>2,61,573.84</b>	<b>2,12,832.12</b>	<b>2,92,779.55</b>
2	<b>Segment results</b>						
a)	Treasury	11,938.04	2,375.08	4,334.03	17,538.84	8,205.85	11,883.61
b)	Retail Banking	2,279.78	9,967.94	7,506.95	16,145.77	21,652.62	26,721.46
c)	Wholesale Banking	207.71	928.36	(103.68)	1,206.40	(216.31)	2,534.91
d)	Other Banking operations	1,108.51	701.96	370.09	2,279.13	681.14	1,264.61
e)	Unallocated	(638.61)	(395.78)	(313.03)	(1,329.46)	(1,072.53)	(7,310.56)
	<b>Total Profit before Tax</b>	<b>14,895.43</b>	<b>13,577.56</b>	<b>11,794.36</b>	<b>35,840.68</b>	<b>29,250.77</b>	<b>35,094.03</b>
3	<b>Segment assets</b>						
a)	Treasury	4,12,263.83	4,71,777.19	2,82,880.90	4,12,263.83	2,82,880.90	2,72,336.98
b)	Retail Banking	19,91,189.86	16,91,538.22	14,28,855.88	19,91,189.86	14,28,855.88	15,45,784.73
c)	Wholesale Banking	1,21,219.70	1,07,361.88	1,28,476.81	1,21,219.70	1,28,476.81	1,01,331.35
d)	Other Banking operations	-	-	-	-	-	-
e)	Unallocated	16,699.03	14,338.44	10,777.51	16,699.03	10,777.51	12,001.62
	<b>Total Assets</b>	<b>25,41,372.42</b>	<b>22,85,015.73</b>	<b>18,50,991.10</b>	<b>25,41,372.42</b>	<b>18,50,991.10</b>	<b>19,31,454.68</b>
4	<b>Segment liabilities</b>						
a)	Treasury	3,61,262.51	4,14,857.26	2,43,311.10	3,61,262.51	2,43,311.10	2,35,330.53
b)	Retail Banking	17,44,859.01	14,85,187.61	12,26,796.90	17,44,859.01	12,26,796.90	13,34,448.29
c)	Wholesale Banking	1,06,223.56	93,697.06	1,09,228.80	1,06,223.56	1,09,228.80	86,254.69
d)	Other Banking operations	-	-	-	-	-	-
e)	Unallocated	950.56	792.95	1,159.25	950.56	1,159.25	1,006.28
	Capital and Other Reserves	3,28,076.78	2,90,480.85	2,70,495.05	3,28,076.78	2,70,495.05	2,74,414.89
	<b>Total Liabilities</b>	<b>25,41,372.42</b>	<b>22,85,015.73</b>	<b>18,50,991.10</b>	<b>25,41,372.42</b>	<b>18,50,991.10</b>	<b>19,31,454.68</b>

Business Segments have been identified and reported taking into account the target customer profile, the nature of products and services, the differing risks and returns, and guidelines prescribed by RBI and in compliance with the Accounting Standard 17 - "Segment Reporting". The methodology adopted in compiling and reporting the above information has been relied upon by the auditors.



**Notes**

- 1 The above unaudited financial results ("Statement") of Equitas Small Finance Bank Limited ("Bank" or "ESFBL") for the quarter ended and nine months ended December 31, 2020 were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on January 28, 2021 and have been subjected to a limited review by the Statutory Auditors of the Bank.
- 2 The above financial results of the Bank have been prepared in accordance with the Banking Regulation Act, 1949, generally accepted accounting principles in India, including Accounting Standards as prescribed under section 133 of the Companies Act, 2013, Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and the guidelines issued by the Reserve Bank of India (RBI).
- 3 As per RBI's Operating Guidelines for Small Finance Banks - RBI/2016-17/81 DBR.NBD.No.26/16.13.218/2016-17 dated Oct 6, 2016, the Bank is maintaining required capital adequacy ratio, leverage ratio and liquidity ratios. Disclosures required under these frameworks i.e. Pillar 3 and Liquidity Coverage Ratio (LCR) are available on the Bank's website at the following link: <https://ir.equitasbank.com/reports-and-presentations/> These disclosures have not been subjected to audit or limited review.
- 4 As part of small finance bank licensing guidelines, Reserve Bank of India (RBI) has mandated listing of shares of the Bank within 3 years from the date of commencement of operations (i.e., from 5th September 2016). In the absence of Securities Exchange Board of India's ("SEBI") approval to a scheme of arrangement, which would have resulted in the listing of the Bank's shares, and the consequent non-compliance with the relevant listing condition, RBI vide its letter dated September 06, 2019 had imposed regulatory action on the Bank, by way of restriction on opening of new branches and on the remuneration of the MD & CEO of the Bank, till further advice. (However, in December 2019, the Bank has subsequently obtained the specific approval of the RBI for opening 240 banking outlets).  
  
During the quarter ended December 31, 2020, the Bank successfully completed Initial Public Offer (IPO) of its shares and raised ₹280 crore by issuing 8,48,484 equity shares of ₹.10/ each at premium of ₹. 23 per share. The equity shares of the Bank got listed on November 2, 2020 on National stock exchange (NSE) and Bombay stock exchange (BSE), thereby complying with the licensing condition of listing the shares of the Bank. Subsequently, as requested by the Bank, RBI lifted the aforesaid restrictions vide its letter dated November 9, 2020.
- 5 The COVID-19 pandemic (declared as such by the World Health Organisation on March 11, 2020), has contributed to a significant decline and volatility, and a significant decrease in economic activity, in global and Indian markets. The Indian government announced a strict 40-day lockdown in India to contain the spread of the virus till May 3, 2020, which has been further extended with some relaxations in specific areas. This has led to significant disruptions and dislocations for individuals and businesses, and has had consequential impact on regular banking operations including lending, fund-mobilisation, and collection activities. In respect of the Bank's loan book, Management has made provisions as more fully explained in Note 6 to these financial results. However, the full extent of impact of the COVID-19 pandemic on the Bank's operations, and financial metrics (including impact on provisioning on advances) will further depend on future government and regulatory guidelines and future developments which are uncertain and incapable of estimation at this time.
- 6 The Bank held a provision of ₹.170.63 crore as on September 30,2020 against the likely impact of COVID-19, including the RBI mandated provision. During the quarter, the bank has adjusted ₹.113.62 crore against the actual provisioning requirements for slippages from the loan accounts Hence, the aggregate provision against the likely impact of COVID-19,including the RBI mandated provision, stands at ₹. 57.01 Crore as on December 31,2020 and is grouped under "Other Liabilities and Provisions in the Balance sheet of the Bank.
- 7 In accordance with Resolution Framework for COVID-19 announced by RBI on 6th August, 2020, the Bank has implemented a one-time restructuring for certain eligible borrowers and such borrowers are classified as Standard in accordance with the above framework.
- 8 The Honourable Supreme Court of India (Hon'ble SC), in a public interest litigation (Gajendra Sharma Vs. Union of India & Anr), vide an interim order dated September 03, 2020 ("Interim Order"), has directed that accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. Based on the said interim order, the Bank has not classified any account (whether granted moratorium or not) which was not NPA as of August 31, 2020 as per the RBI IRAC norms, as NPA after August 31, 2020. Further, in light of the Interim Order, even accounts that would have otherwise been classified as NPA post August 31, 2020 have not been and will not be, classified as NPA till such time that the Hon'ble SC rules finally on the matter.  
  
However, if the Bank had classified borrower accounts as NPA after August 31, 2020, the Bank's proforma Gross NPA ratio and proforma Net NPA ratio would have been 4.24% and 1.74% respectively. Pending disposal of the case, the Bank, as a matter of prudence has, in respect of these accounts made a contingent provision (including on interest accrued) of ₹. 180.28 crore, which is included in 'Provisions (other than tax) and Contingencies'
- 9 Department of Financial Services, Ministry of Finance, Government of India vide notification no. F.No.2/12/2020-BOA.I dated October 23, 2020 conveyed that in view of the unprecedented and extreme COVID - 19 situation, the Central Government has approved "Scheme for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts, (March 01, 2020 — August 31, 2020)". The benefits under the Scheme routed through lending institutions (as defined in the notification). The Management of the Bank has put in place a process note in line with the operational guidelines and pronouncements issued in this regard and conducted the aforesaid exercise of crediting the benefit in the respective accounts of eligible borrowers and filed the claim with the Government of India within the prescribed timeline. The effect of the Notification and the resultant credits to the loan accounts of eligible borrowers has been made in these financial results.
- 10 During the quarter ended December 31, 2020, The Bank has realised ₹. 23.19 Crore from sale of Priority Sector Lending Certificates ('PSLC').The same is amortised on a straight-line basis over the tenor of the certificate. The Bank has recognised ₹.17.39 Crore as income during the period ended December 31, 2020 and has deferred ₹. 5.80 Crore of PSLC fee income.
- 11 The Bank has granted 38,00,360 options under the ESFB Employees Stock Option Scheme 2019 to eligible employees of the Bank as defined during the nine months ended December 31,2020. As at December 31,2020,out of the total options granted 267,58,922 Options were vested and 52,10,860 options were lapsed, and 132,39,306 options are yet to be vested.
- 12 Previous period / year figures have been reclassified/regrouped, wherever necessary, to conform to the current period / year classification/ grouping.

For Equitas Small Finance Bank Limited



P N Vasudevan

Managing Director and Chief Executive Officer

Place: Chennai  
Date: January 28, 2021



**Independent Auditors Review Report on the unaudited quarterly financial results and year to date financial results of Equitas Small Finance Bank Limited pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**Review Report to  
The Board of Directors  
Equitas Small Finance Bank Limited**

We have reviewed the accompanying statement of unaudited financial results of Equitas Small Finance Bank Limited for the period ended quarter ended 31<sup>st</sup> December 2020 and year to date results for the period from 1 April 2020 to 31<sup>st</sup> December 2020 (the 'Statement') attached herewith, being submitted by the Bank pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), except for the disclosures relating to Pillar 3 disclosure under Basel III Capital Regulations, as at 31<sup>st</sup> December, 2020, including Leverage Ratio and Liquidity Coverage Ratio as have been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid Statement under Note 4, which have not been reviewed by us.

This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. This statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 25, (AS 25) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder, the relevant guidelines issued by Reserve Bank of India (the RBI Guidelines) and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

T R Chadha & Co., a partnership firm converted into T R Chadha & Co LLP  
(A limited liability partnership with LLP Identification No. AAF-3926) with effect from 28<sup>th</sup> December 2015

Chennai Branch: Door No. 5D, V Floor, Mount Chambers, 758, Anna Salai, Chennai - 600 002  
Phone: +91-44-42694571/572 Email: chennai@trchadha.com  
Corporate/ Regd. Office: B-30, Connaught Place, Kuthiala Building, New Delhi - 110001  
Phone 43259900, Fax: 43259930, E-mail: delhi@trchadha.com





**Emphasis of Matter**

We draw attention to Note 5 to the statement which describes the economic and social disruption the Bank is facing as a result of COVID-19 pandemic, and its possible consequential implications, if any, on the Bank's operations and financial results are dependent on future developments, which are highly uncertain.

Our opinion is not qualified with regard to this matter.

For **T R Chadha & Co LLP**

Chartered Accountants

Firm's Registration No.: 006711N/ N500028

**Sheshu Samudrala**

Partner

Membership No.: 235031

UDIN: 21235031AAAAAA7960



Place: Chennai

Date: January 28, 2021

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Chennai Branch: Door No. 5D, V Floor, Mount Chambers, 758, Anna Salai, Chennai - 600 002  
Phone: +91-44-42694571/572 Email: [chennai@trchadha.com](mailto:chennai@trchadha.com)  
Corporate/ Regd. Office: B-30, Connaught Place, Kuthiala Building, New Delhi - 110001  
Phone 43259900, Fax: 43259930, E-mail: [delhi@trchadha.com](mailto:delhi@trchadha.com)

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# EQUITAS SMALL FINANCE BANK LIMITED

FOR IMMEDIATE PUBLICATION

PRESS RELEASE

January 28, 2021

Chennai, January 28, 2021: The Board of Directors of Equitas Small Finance Bank Limited at its meeting held today, approved the unaudited financial results for quarter ended December 31, 2020

**Q3FY21 PAT at Rs. 111 Crores, up 18%**

**Advances grew 19% YoY to Rs. 17,373 Cr**

**CASA ratio at 25%, Retail TD at Rs. 5,500 Cr, growth of 79% YoY**

**Cost to Income Ratio improves to 56.35% vs. 66.24% in Q3FY20**

**Collection efficiency at pre-Covid levels across all major product segments**

## Q3FY21 Highlights:

### 1. Key Highlights for Q3FY21:

#### • Advances:

- Advances as of Q3FY21 was at Rs. 17,373 Cr, Advances growth of 19% YoY
- Disbursement at 80% pre-Covid level, disbursed Rs. 2,461 Cr in Q3FY21
- 79.21% of advances is secured loans, **Microfinance loans constitute 20% with no exposure in Assam and West Bengal**
- Collection & Billing efficiency for the month of December 2020 at 105.36% and 88.73% respectively
- Collection efficiency nears pre-covid levels:
  - MFI X Bucket Collection efficiency for the month of December 2020, December 2019 & February 2020 at 98.30%, 98.40% & 98.50% respectively
  - SBL X Bucket Collection efficiency for the month of December 2020, December 2019 & February 2020 at 99.05%, 99.34% & 99.41% respectively
  - VF X Bucket Collection efficiency for the month of December 2020, December 2019 & February 2020 at 95.72%, 95.09% & 96.50% respectively

#### • Liabilities:

- Deposits excluding CD at Rs. 15,691 Cr, growth of 62% YoY and 25% QoQ
- Retail TD at Rs. 5,500 Cr, growth of 79% YoY and 10% QoQ
- Savings Account deposits at Rs. 3,524, growth of 96% YoY and 24% QoQ

- CASA stood at Rs. 3,967 Cr, CASA is 25% of Total Deposits
- Acquired & On boarded over ~1,28,000 Savings Account Customers through Integrated Digital Marketing
- **Key Ratios:**
  - Cost to Income improves to 56.35% in Q3FY21 as compared to 66.24% in Q3FY20 and 58.15% in Q2FY21
  - RoA and RoE for Q3FY21 at 1.83% and 14.32% respectively
- **Capital:**
  - As of September 30, 2020 Total CRAR at 21.58 and Tier-I CRAR of 20.81%; Well above minimum regulatory requirements of 15% and 7.5%. Tier II Capital at 0.77%
- **Treasury & Liquidity:**
  - The Bank currently maintains 'excess' liquidity in the form High Quality Liquid Assets (HQLA). Liquidity Coverage Ratio (LCR) as on 31.12.2020 at 196%. The Bank intends to revert to 'adequate surplus liquidity' of ~130%
  - During the quarter, Bank repaid TLTRO borrowings of Rs 124 crores to RBI. Associated Non-SLR securities were shifted out of HTM and partially sold. Profit realised on such sale amounted to Rs. 3 Crore
  - During the quarter, Bank sold certain SLR securities from HTM (through OMO / secondary market) and realised profits amounting to Rs. 33 Crore
  - During the quarter, Bank sold PSLCs worth Rs. 1,800 Crore. Income recognised on sale of PSLCs for this quarter amounted to Rs. 17.4 Crore
- **Human Capital:**
  - Leadership team strengthened with the appointment of Rohit Padhke to spear head Mortgages and vehicle finance and Siby Sebastin as EVP - Operations
  - Chief Digital Officer and Deputy CTO appointed to strengthen the Banks digital transformation

## **2. Profit & Loss:**

- Net Interest Income for Q3FY21 at Rs. 484 Cr as against Rs. 384 Cr in Q3FY20, growth of 26% YoY. NIM at 8.47%
- Core Income (Net Income other than PSL Fees, Treasury & Others) at 87%
- PBT before provisions and write off for Q3FY21 at Rs. 275 Cr as against Rs. 158 Cr in Q3FY20, growth of 74%
- PAT for Q3FY21 at Rs. 111 cr as against Rs. 94 Cr in Q3FY20, growth of 18%

### 3. Asset Quality, Provisions & Restructuring:

- COVID related provisions as at December 31, 2020 stood at Rs. 57.01 crore after adjusting Rs 113.62 crores against actual provisioning requirements for slippages in respect of specific loan accounts
- In accordance with the Resolution Framework for COVID-19 announced by RBI on August 6, 2020, as at December 31, 2020, the Bank has approved, for certain eligible borrowers, one-time restructuring of 1.97% of advances
- GNPA at 2.23% in Q3FY21 as compared to 2.39% in Q2FY21 and 2.86% in Q3FY20
- NNPA at 0.65% in Q3FY21 as compared to 1.00% in Q2FY21 and 1.73% in Q3FY20
- The Bank has not classified any NPAs since August 31, 2020; basis the interim order of Hon. Supreme Court. If the Bank had classified borrower's accounts as NPA after August 31, 2020, the Bank's Gross NPA Ratio and net NPA Ratio would have been 4.16% and 1.71% respectively. Pending the decision of the Court, in respect of these accounts made a contingent provision (including on interest accrued) of Rs 180.28 Crores, as a matter of prudence
- Provision coverage ratio to directionally improve as Bank further accelerates IRAC provision norms across DPD buckets

### 4. Collection & Billing Efficiency Product Wise:

Particulars	Collection Efficiency December 2020	Billing Efficiency December 2020
Micro Finance	97.98%	91.29%
Small Business Loans	104.56%	90.56%
Vehicle Finance	108.39%	82.25%
MSE Finance	192.55%	88.88%
Corporate	149.36%	94.51%
Others	82.16%	76.07%
<b>Total</b>	<b>105.36%</b>	<b>88.73%</b>

1. Collection efficiency represents total collections during the month as a percentage of December months total EMIs due
2. Billing efficiency represents only the EMIs of December alone collected as a percentage of December months total EMIs due

#### *Collections touch pre-Covid levels*

Particulars	X Bucket Collection Efficiency December 2020	X Bucket Collection Efficiency February 2020	X Bucket Collection Efficiency December 2019
Small Business Loans	99.05%	99.41%	99.34%
Vehicle Finance	95.72%	96.50%	95.09%
Micro Finance	98.30%	98.50%	98.40%

### **About Equitas Small Finance Bank Limited [ESFBL]**

Equitas Small Finance Bank Limited is the largest SFB in India in terms of number of banking outlets, and the second largest SFB in India in terms of assets under management and total deposits in Fiscal 2019. (Source: CRISIL report). Its focus customer segments include individuals with limited access to formal financing channels on account of their informal, variable and cash-based income profile. It offers a range of financial products and services that address the specific requirements of these customer segments by taking into account their income profile, nature of business and type of security available. Its asset products are suited to a range of customers with varying profiles.

For further details, contact:

#### **Investor Relations Team**

Website – <https://ir.equitasbank.com/>

Email – [ir@equitasbank.com](mailto:ir@equitasbank.com)

Twitter - [@EquitasIR](https://twitter.com/EquitasIR)

4th Floor, Phase II, Spencer Plaza, No. 769, Mount Road, Anna Salai, Chennai 600 002, Tamil Nadu